

Creating Opportunities for People and Communities

A primary mission for HHS, the Administration for Children and Families (ACF), and our partners involves creating opportunities for individuals, families, and communities to become more economically and socially productive. Our overarching goal is to help people become more self-sufficient within their communities.

This means that our programs are helping people to gain the skills and competence necessary to make their own way in the world. This can have a galvanizing effect on a community as the potential reality of self-sufficiency can transform the outlook of others who have not yet become self-sufficient.

Our services are directed towards improving job skills, access to social services, family and community stability and independent living for low-income families, children, the elderly, persons with disabilities, and distressed communities. HHS' role in helping people to become self-sufficient is to provide leadership, funding and technical assistance to its partners, conduct research, promote best practices, and work to eliminate barriers to access of services.

Continuous Improvement, Measurable Results

A commitment to continuous improvement has focused our attention on measurable results. Substantial progress has

been made in the past several years in helping welfare recipients move to work, increasing child support payments, and providing child care and early learning services to low and moderate income families.

In FY 1996, a comprehensive, bipartisan welfare reform law, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) dramatically changed the nation's welfare system into one that requires work in exchange for time-limited assistance. States, tribes, and territories receive block grants from ACF under the Temporary Assistance to Needy Families (TANF) program, established by PRWORA, to cover benefits, administrative expenses, and services.

Welfare Caseloads Have Fallen to Historic New Lows

Since then, welfare caseloads have fallen to historic new lows. They are at their lowest level since 1965. Since states began implementing the TANF program in FY 1997, the number of recipients has dropped by 56 percent as

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of June 2001. From its peak of 14.4 million recipients in March 1994, the number has dropped by 62.6 percent to 5.4 million in June 2001. In addition, during FY 1999, 1.2 million people got jobs after being unemployed during that year.

The states, tribes, and territories have great flexibility to design and implement programs to move clients from welfare to work, including eligibility requirements, benefit levels, and services provided, as long as they are consistent with the purposes of the program.

Congress established work participation performance standards and created the High Performance Bonus (HPB) incentive system to facilitate the goal of moving recipients from welfare to work and self-sufficiency. Although HPB is voluntary, most states are participating. Forty-eight states and the District of Columbia competed for the FY 2000 HPB and \$200 million in awards were issued to 28 states in December 2000.

From Welfare to Work

Record numbers of people are moving from welfare to work. Retention rates are promising. States also reported an average earnings increase. The target for FY 1999 was that all states meet the two-parent work participation rates. For that year, 74 percent of the states met the target of 90 percent work participation. The FY 2001 target is also 100 percent of families. That data will be available in December 2003, and the FY 2000 data is expected in December

2002. In FY 1998, the corresponding percentage was 66 percent of states.

Often, working parents lack the necessary supports that will enable them to succeed in the workforce, such as access to affordable, quality childcare, transportation, and training opportunities. Welfare reform has been less effective in addressing the needs of clients with multiple barriers to work such as inadequate fluency in English, mental health problems, addiction to alcohol or drugs, developmental and learning disabilities and domestic violence. Increasingly, state agencies are reporting that the proportion of clients with these barriers is growing.

There are four steps that must be completed before we can claim success in reforming the welfare system. First, reaching all families. HHS must reach the families that are still on the welfare caseloads. Second, moving families into work and promoting success at work. For parents to succeed at work and provide for their children, we must ensure that they have sufficient family income and basic work supports. Third, transforming the welfare office. States are reorganizing their operations to focus on assisting recipients in finding and retaining employment, rather than on distributing benefit checks. Fourth, maintaining investment. To accomplish the first three steps, states need to sustain the involvement of all parties in the process of helping people move from welfare to work.

Congress will consider reauthorization for TANF next year. HHS officials held listening sessions around the nation with states, tribes,

employers, and advocates to lay the groundwork for the reauthorization legislation. Given the success documented above, it will be important for this program to continue into the future so that more American families can move from dependency to financial independence, and to reap the benefits for their families that such a transformation can provide.

HHS has coordinated efforts to increase parental responsibility through promoting and encouraging father involvement through the Fathers' Initiative that has representatives from all HHS agencies. Meeting regularly to foster coordination and collaboration across HHS, this group has established working relationships with many non-governmental groups working to promote more father involvement in the lives of children. The faith-based community has been contacted to help spread the word on parental responsibility and child support services. HHS will continue efforts to broaden parental responsibility, especially the involvement of fathers in the lives of their children, through several means. First, by focusing attention on the fathers' positive role in improving their children's well being. Second, by ensuring that the HHS research agenda pay adequate attention to the role of fathers in families and the effects of fathering on children's well being. Third, by using positive messages and language about fathers and fatherhood in publications and announcements; and finally, by ensuring that HHS' own workforce policies encourage and enable fathers to balance work and family life responsibilities.

Increased Childcare Accredited Facilities

Research has begun to document the most important early influences on children's development and factors that contribute to the quality of early childcare. For example, the National Institute for Child Health and Human Development (NICHD) study of early child care, *When Child-Care Classrooms Meet Recommended Guidelines for Quality* (1998), shows that children attending centers meeting professional standards for quality score higher on school-readiness and language tests and have fewer behavioral problems than their peers in centers not meeting such standards. The study found that children fared better when child-staff ratios were lower and teachers had more training and education. Similarly, a four-year follow-up of children studied in the 1995 Cost, Quality, and Child Outcomes Study, as well as the Carolina Abecedarian Program Study, shows positive long-range effects of quality early childhood services.

ACF works with state administrators, professional groups, service providers, and others to identify elements of quality and appropriate measures; inform states, professional organizations, and parents about the constituents of child care quality; influence the training and credentialing of child care workers and accreditation of child care facilities; improve linkages with health care services and with Head Start; and take steps to improve the quality of child care nationally.

As an accomplishment for FY 2001, approximately 20 states now report offering higher subsidy reimbursement rates to providers demonstrating high quality care. Most states indicated they are working toward a system of professional development for childcare providers and workers. Nearly a dozen states have implemented the North Carolina TEACH model combining professional development and training with salary enhancements.

The performance target for FY 2001, with data to be available early in FY

2002, is to increase by 1 percent the number of regulated child care centers and homes nationwide accredited by a nationally recognized early childhood development professional organization from the FY 2000 baseline. The FY 2000 baseline was 9,535.

It continues to be difficult to provide an accurate count of the total number of childcare facilities. The language for the accreditation of facilities measure has been revised to measure the number of accredited facilities in relationship to the number of regulated child care centers and homes, as reported by the independent national bodies.

Empowering Parents Through Vigorous Child Support Enforcement

The Child Support Enforcement program collected \$18.9 billion in FY 2001, serving an estimated 17.4 million child support cases. Since the creation of the Child Support Enforcement program, child support



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collections within the program have grown annually. States have increased collections by using a wide variety of approaches such as income withholding, offset of income tax refunds, support guidelines and reporting to credit bureaus. In addition, states are beginning to reap the benefits of the tools provided by PRWORA:

- *In FY 2000, 62 percent of all cases had orders, 42 percent of all cases had collections, and total collections increased by 49 percent since FY 1996.*

- *The government collected a record \$1.6 billion in overdue child support from Federal income tax refunds for tax year 2000. More than 2.1 million families benefited from these collections.*

- *A program to match a list of delinquent parents with financial institution records found 1.5 million accounts belonging to more than 879,000 delinquent non-custodial parents nationwide with a value in excess of \$3.1 billion.*

- *The number of paternitys established or acknowledged was almost 1.6*

million in FY 2000. Of these, over 689,000 were established through in-hospital acknowledgement programs. An additional 867,000 paternitys were established through the Child Support Enforcement program.

- *The Passport Denial program resulted in collections of over \$6 million in lump sum child support payments in FY 2000.*

- *Using the expanded Federal Parent Locator Services, OCSE was able to provide states information on over three million non-custodial parents and putative fathers, doubling the number of interstate cases from the year before.*

- *As a result of matching the Federal Case Registry with the National Directory of New Hires, employer and address information for 3 million non-custodial parents has been identified.*

As of January 2001, 52 states and territories are reporting data to the Federal Case Registry (FCR), which locates absent parents across state lines. The FCR contains 17.5 million child

support cases. When absent parents are found, HHS promotes state use of the Internal Revenue Service (IRS) tax refund and administrative offsets for child support. For FY 2001, a record \$18.9 billion was collected in comparison to \$17.9 billion in FY 2000 and \$15.8 in FY 1999.

The Cost-Effectiveness of Self-Sufficiency

When government can spend money which both helps our citizens to grow in healthy ways and at the same time receive a healthy financial return on our investment in our people, that is a cost-effective way of using our resources. The Child Support Enforcement program has such a measure, which is derived by measuring the total dollars collected against the administrative dollars expended by HHS and its partners. The objective is to increase the dollars collected per administrative dollar spent. In FY 2000, total administrative expenditures were \$4.5 billion. Compared with the \$17.9 billion collected, the cost-effective-



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ness ratio for this program is \$3.95. That is, \$3.95 is collected for every administrative dollar expended.

The continuing challenge for ACF is to locate absent parents and increase their parental responsibilities by involving them in raising their children. In this way, families can achieve the self-sufficiency that they would otherwise have achieved, but for the wayward parental support. Self-sufficient families will leave a legacy in their children, who will see that productive, vibrant lives can be more than a dream.

Child Welfare

HHS funds a number of programs that focus on preventing maltreatment of children in troubled families, protecting children from abuse, and finding permanent placements for those who cannot safely return to their homes. Programs such as Foster Care, Adoption Assistance, and Independent Living provide stable environments for those children who cannot remain safely in their homes, assuring the child's safety and well-being while their parents attempt to resolve the problems that led to the out-of-home placement. When the family cannot be reunified, foster care provides a stable environment until the child can be placed permanently with an adoptive family. Adoption Assistance funds are available for a one-time payment for the costs of adopting a child as well as for monthly subsidies to adoptive families for care of the child.

The Adoption Incentives program was enacted into law by the biparti-

san Adoption and Safe Families Act of 1997. The passage of this incentive program along with state, local and private initiatives focusing attention on the needs of children in foster care awaiting permanent adoptive families, are resulting in unprecedented increases in the number of children adopted from foster care.

The Adoption Opportunities program funds grants and contracts to public and private organizations to facilitate the elimination of barriers to adoption and to provide permanent, loving home environments for children who would benefit from adoption, particularly children with special needs. There are approximately 118,000 children in the public foster care system that cannot return safely to their own homes and parents. About 46,000 of these children are legally free and immediately available for adoption. Such children are typically school-aged, in sibling groups, have experienced neglect or abuse, or have a physical, mental, or emotional disability. While the children are of all ages and races, children of color and older children (over the age of 10) are over-represented.

The Child Welfare Services program funds grants to states and Indian tribes to provide services to children and their families without regard to income. Family Preservation and Support Services, renamed Promoting Safe and Stable Families, focuses on strengthening families, preventing abuse, and protecting children. These grants help states and tribes operate preventive family preserva-

tion services and community-based family support services for families at risk or in crisis, family reunification and adoption support services. Our goal for FY 2000 was to have 46,000 children adopted from the public foster care system and 51,000 for FY 2001. The actual figure for 2000 was 50,000 children, compared to 46,000 in FY 1999 and 36,000 in FY 1998. Data for FY 2001 will be available in September 2002.

Ultimately, decisions about placing children are made by judges in juvenile and family court systems throughout the nation. Improved judicial handling of child welfare cases will be essential to achieving permanency goals for children. Children in the child welfare system have many medical and mental health problems, while many of their parents are incapacitated by chronic substance abuse, mental health problems, homelessness, limited education, and similar problems. The availability of services from other sectors to meet these needs is uneven. The expansion or contraction of services in various parts of the country will affect our overall performance. Major changes in assistance programs for low-income families as part of welfare reform will also have an unknown impact on the child welfare system over the next several years.

Head Start

Head Start is a national program that provides comprehensive developmental education, mental health, nutrition and social services for

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America's low-income, preschool children ages three to five and their families. The basic philosophy guiding the Head Start program is that children benefit from quality early childhood experiences and that effective intervention can be accomplished through high quality comprehensive services for children, along with family and community involvement. Head Start provides diverse services to meet the goals of three major content areas: early childhood development and health services; family and community partnerships; and program design and management. Grants are awarded to local public or private non-profit agencies; the 1998 Head Start Reauthorization made profit-making agencies eligible as well. The community must contribute twenty percent of the total cost of a Head Start program. Head Start programs operate in all 50 States, the District of Columbia, Puerto Rico, and the U.S. territories.

The National Institute of Child Health and Human Development (NICHD) recently established an Early Childhood Education and School Readiness Initiative to investigate a range of issues impacting early childhood learning. The goals of this effort are to support research planning grants to establish effective, multidisciplinary scientific collaborations as well as a comprehensive analysis of assessment needs and the development of appropriate tools.

Approximately 1,525 community-based organizations from Miami, Florida to Nome,

Alaska, and from Puerto Rico to Micronesia, develop unique and innovative programs to meet specific needs, following the guidelines of Program Performance Standards, last updated in January 1998. In FY 2001, nearly 905,000 children were enrolled in Head Start programs. Head Start programs operated 18,500 centers with 48,500 classrooms. Of the children served, 34.5 percent are African-American; 30.4 percent are White; 28.7 percent are Hispanic; 3.3 percent are American Indian; and 2.0 percent are Asian. Sixty-four percent of all Head Start programs enrolled children from more than one dominant language and 20 percent enrolled children from four or more dominant language groups. Head Start programs teach an appreciation of the cultures of all enrolled children and provide culturally relevant classroom and other activities.

Our measure for this area involves the number of classroom teachers with a degree in early childhood education (ECE), a child development associate credential, a state-awarded preschool certificate, a degree in a field related to ECE plus a state-awarded certificate or who are in Child Development Associate (CDA) training and have been given a 180-day waiver, consistent with the provisions of Section 648A(a)(1) of the Head Start Act. The target for FY 2000 and beyond was 100 percent while the FY 2000 actual was 94 percent. The baseline for FY 1999 was 93 percent. Data for 2001 will be available in 2002.

The shortfall in meeting this target is due to a combination of staff turnover and/or limited access to training and credentialing opportunities in certain areas of the country. In partnership with institutions of higher education, Head Start is working to ensure that a majority of teachers obtain associate's or bachelor's degrees in early childhood education over the next few years. More than \$80 million in annual funding has been earmarked to pay for teacher training and to continue to increase staff compensation. Grantees were required to develop plans for using their allocation from the \$80 million to increase the numbers of teachers with degrees. Head Start additionally provided \$3 million in funding to 24 higher education training partnership projects, largely to provide training towards degrees at Historic Black Colleges and Universities (HCBU), Hispanic-serving Institutions of Higher Education (HIHE), and Indian-controlled land grant colleges and universities. HHS also initiated a new 5-year project at \$1 million per year with Wheelock College for higher education faculty development. A teacher's education level is correlated with classroom quality—classrooms have higher-quality language activities, offer more creative activities to children and have higher overall quality as rated by the Early Childhood Environment Rating Scale (ECERS).